

NEAR EAST/AFRICA DIVISION
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CENTRAL INTELLIGENCE AGENCY

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NEAR EAST/AFRICA DIVISION

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INTELLIGENCE SUMMARY

For Week Ending
16 November 1949

TABLE OF CONTENTS

Greece

Time out for repairs 1
Communists switch to milder, non-military party line

Turkey

Turks seek reduced military costs 2
Cabinet seeks to cut appropriations

Iran

Situation disturbed 2
But army believed capable of maintaining order

India-Pakistan

Possible US-Indian commodity deal 3
Arrangement would please India but irritate Pakistan

Noted in Brief

25X6A

Troy, Iraq, [REDACTED] 3

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NEAR EAST/AFRICA INTELLIGENCE SUMMARY

GREECE

Time out for repairs: The Communist struggle for power in Greece has now "temporarily" entered a new and primarily non-military phase, according to a recent guerrilla statement outlining the decisions made by the Sixth Plenum of the KKE (Greek Communist Party) Central Committee on 9 October. As in 1945, when the party embarked on a period of rehabilitation following the failure of its post-liberation attempt to gain power by force, the Kremlin has evidently recognized that present circumstances are not propitious for resumption of a full-scale guerrilla campaign. The Central Committee of the KKE is careful to exonerate the party leadership for the failure of its tactics during 1949 by asserting that they were justified at the time. Although the announcement makes vague references to a full-fledged resurgence at some future date, however, the new party line asserts that the "center of gravity" of party efforts must now be transferred to "political and economic struggles." While the guerrilla forces outside Greece are apparently to be kept in being and Communist militancy is to be symbolically maintained through the operations of small partisan groups within Greece, the principal emphasis at present is to be placed on reorganization, recruiting, and the tightening of party discipline.

This shift in Communist tactics must be regarded essentially as a positive step designed to develop a more realistic basis for future party action, even though the new line implicitly acknowledges the ultimate failure of KKE's three-year-long guerrilla campaign and the weaknesses with which military reverses and the complications of Balkan politics have saddled the party. Greece does not face the danger of a large, organized guerrilla invasion from the north this winter. Nevertheless, the KKE evidently hopes to effect a gradual revival of Communist internal strength which might pave the way for the later return, backed by large-scale external aid, of the 10,000-odd guerrillas now in reserve in Albania and Bulgaria. The chances for such a revival may increase over the next year as the semblance of peace returns to the Greek countryside. The reduction in the strength of the Greek armed forces will continue; the political disunity which has already appeared will grow more pronounced as the war threat fades and the 1950 elections approach; and there may be some relaxation of anti-Communist measures, under pressure from a concerted propaganda drive being made by the Soviet bloc. Meanwhile the party will benefit by the fact that Greece's economic difficulties are

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still far from solution and by the fact that large numbers of refugees and veterans remain to be cared for. Thus, while Greece has won a respite from Communist military aggression, the nation's unstable inheritance and the uncertainties of external developments make it quite possible that the respite is only temporary.

TURKEY

Turks seek reduced military costs: The Turkish Cabinet, in the face of opposition from the General Staff, is apparently determined to reduce the heavy cost of maintaining the armed forces. The present military budget is about 460 million liras (approximately \$164 million), and the cabinet appears to have contemplated a reduction of some 60 million liras (about \$22 million). The Minister of National Defense, who evidently supports the view of the military rather than that of the cabinet, claims that such a cut would reduce the conscript (but not officer) strength of the army and air force by one half and the navy by two thirds. This alarming estimate is probably the product of deliberate exaggeration and is doubtless designed to persuade the cabinet to increase, rather than decrease, appropriations for the armed forces. Nevertheless, it is estimated that present military strength can be maintained at a total cost considerably below the current military budget, and the cabinet may be expected to insist on decreased appropriations for next year, although the reduction will hardly reach the figure of 60 million liras originally contemplated. The current conferences on the subject in Ankara may be partly designed to impress upon US officials how helpful US financial aid may be if directly aimed at relief of the budgetary burden.

IRAN

Situation disturbed: Although the situation in Iran is seriously unsettled, Iran's chief leaders appear to be maintaining their equilibrium, and the army is believed capable of preserving internal security during the Shah's absence from the country. Popular unrest was brought to a head by the recent "free elections" for the Majlis. The situation was further complicated by the return to Iran of former Prime Minister Qavam, who is intent on regaining the premiership in the belief that he is the only person competent to deal with the current difficulties. The Majlis elections were relatively free from government and army interference, but the misconduct of individual administrators provoked numerous incidents, bitter protests from religious and opposition political leaders, and finally the assassination of Minister of Court Hajir, the Shah's righthand man, by a religious fanatic. These events led to the imposition of martial law in Tehran, the

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nullification of the balloting there, and a call for new elections. Meanwhile, a regency council was appointed to act for the Shah during his absence, although the army will continue to receive its orders direct from the Shah through Chief of Staff Razmara, who, despite allegations to the contrary, appears loyal to the present regime.

INDIA-PAKISTAN

Possible US-Indian commodity deal: India's current requests that the US supply it on extraordinary terms with a million tons of wheat and half a million bales of cotton, possibly in exchange for strategic materials, raise a complicated question for the US. Consummation of such a deal soon after Nehru's return from his visit to this country would have a beneficial effect on the US position in India, since, by easing India's serious food problem and supplying the immediate raw material needs of its textile industry, it would at a most propitious time give concrete evidence of American willingness to assist India. On the other hand, an arrangement of this sort would tend to involve the US in the current trade war between India and Pakistan, inasmuch as India's present shortage of cotton is largely attributable to curtailment of its normal purchasing in Pakistan and its failure to purchase such surplus wheat as is available in Pakistan possibly based on political as well as financial considerations. The Indian Government has depicted its current need for these commodities as representing a special case, arguing that Pakistan will devalue its currency in the next six months, thus facilitating a return to large-scale purchasing in Pakistan, and that the wheat in question is over and beyond that which India can afford to purchase in the normal manner. Nevertheless, a US-Indian deal of this sort would provide India with commodities normally bought from Pakistan, and the Pakistanis can be expected to regard it as intervention and as "another" example of US favoritism.

NOTED IN BRIEF

The recent Soviet thrust at the poet Homer as a "degenerate Greek pedant" who concealed "the fact that Achilles was...a Russian" will probably cause little stir among archaeologists or students of Soviet-Greek relations. In view of Achilles' role in the siege of Troy, this Soviet literary fallacy may be interpreted as a devious attempt to set up some ancient basis for Russian claims to a base on the Dardanelles. Although an analogy with the over-all strategic position of the USSR was

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certainly not intended, the Soviet attempt to adopt Achilles as an ancestor is valuable for the answer it suggests to the old question as to which of Achilles' heels was vulnerable: obviously it must have been the left.

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Formation of a new cabinet in Iraq is proceeding slowly following Prime Minister Nuri Said's resignation on 7 November. The Regent would like Nuri to remain and head up a new cabinet, but since the Regent has been dilatory in approving the list of names proposed by Nuri several weeks ago, Nuri may stand by his resignation. He continues to plead ill health as the reason for his reluctance to reassume responsibility. In any event, a new cabinet should be announced shortly, since Parliament is due to reconvene within two weeks.

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